

ARIZONA HOUSE OF REPRESENTATIVES  
Fifty-second Legislature - First Regular Session

## MAJORITY CAUCUS CALENDAR

March 10, 2015

Bill Number	Short Title	Committee	Date	Action
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### Committee on Appropriations

**Chairman:** Justin Olson, LD25

**Analyst:** Jennifer Thomsen

**Vice Chairman:** Vince Leach, LD11

**Intern:** Meagan Swart

[SB 1053](#) appropriations; named claimants

**SPONSOR:** SHOOTER, LD13

SENATE	2/9/2015	(28-1-1-0)
(No: FARNSWORTH D; NV: ABLESER)		
APPROP	3/4 DP	(11-0-0-3-0)
(Abs: MEYER, STEVENS, UGENTI)		

### Committee on Agriculture, Water and Lands

**Chairman:** Brenda Barton, LD6

**Analyst:** Tom Savage

**Vice Chairman:** Darin Mitchell, LD13

**Intern:** Christopher Palmer

[SCM 1010](#) PILT program; SRS; full funding

**SPONSOR:** GRIFFIN, LD14

SENATE	2/16/2015	(29-0-1-0)
(NV: MIRANDA)		
AWL	3/5 DP	(8-0-0-1-0)
(Abs: MONTENEGRO)		

### Committee on Banking and Financial Services

**Chairman:** Kate Brophy McGee, LD28

**Analyst:** Paul Benny

**Vice Chairman:** Jeff Weninger, LD17

**Intern:** Christopher Rasmussen

[SB 1336](#) banking permits; application process

**SPONSOR:** FARNSWORTH D, LD16

SENATE	2/23/2015	(29-0-1-0)
(NV: CAJERO BEDFORD)		
BFS	3/3 DP	(6-0-0-2-0)
(Abs: FARNSWORTH E, ALLEN J)		

[SB 1338](#) savings and loan association permits

**SPONSOR:** FARNSWORTH D, LD16

SENATE	2/19/2015	(29-0-1-0)
(NV: WARD)		
BFS	3/3 DP	(7-0-0-1-0)
(Abs: FARNSWORTH E)		

**Committee on Children and Family Affairs****Chairman: John M. Allen, LD15****Analyst: Ingrid Garvey****Vice Chairman: Kate Brophy McGee, LD28****Intern: Brennan Rohs****SB 1077**

child care facilities; SFB guidelines

SPONSOR: YEE, LD20

SENATE 2/9/2015 (29-0-1-0)

(NV: ABLESER)

CFA 3/2 DP (8-0-0-1-0)

(Abs: BROPHY MCGEE)

**Committee on County and Municipal Affairs****Chairman: Doug Coleman, LD16****Analyst: Ginna Carico****Vice Chairman: Tony Rivero, LD21****Intern: Robert Lewis****SB 1170**

forfeitures; annual report

(Now: quarterly reports; requirements; forfeitures)

SPONSOR: ALLEN, LD6

SENATE 2/19/2015 (29-0-1-0)

(NV: WARD)

CMA 3/2 DP (7-0-0-1-0)

(Abs: BOYER)

**Committee on Education****Chairman: Paul Boyer, LD20****Analyst: Aaron Wonders****Vice Chairman: Jay Lawrence, LD23****Intern: Joey Pickels****SB 1332**

empowerment scholarship accounts; reservation residences

SPONSOR: BEGAY, LD7

SENATE 2/19/2015 (17-12-1-0)

(No:

DALESSANDRO,PANCRAZI,MCGUIRE,FARLEY,BRADLEY,CONTRERA  
S,HOBBS,ABLESER,MIRANDA,DRIGGS,QUEZADA,MEZA; NV: WARD)

ED 3/4 DP (4-2-0-1-0)

(No: BOLDING,OTONDO; Abs: COLEMAN)

**Committee on Federalism and States' Rights****Chairman: Kelly Townsend, LD16****Analyst: Justin Riches****Vice Chairman: Noel W. Campbell, LD1****Intern: Samantha Oswitch****SCM 1009**

military bases; endangered species act

SPONSOR: GRIFFIN, LD14

SENATE 2/16/2015 (18-11-1-0)

(No: DALESSANDRO,CAJERO

BEDFORD,PANCRAZI,BEGAY,FARLEY,BRADLEY,CONTRERAS,HOBBS,  
ABLESER,QUEZADA,MEZA; NV: MIRANDA)

FSR 3/4 DP (5-3-0-0-0)

(No: WHEELER,VELASQUEZ,RIOS)

[SCM 1012](#)      endangered species transparency act  
 SPONSOR:      GRIFFIN, LD14  
                          SENATE                      2/16/2015                      (19-10-1-0)  
                          (No: DALESSANDRO,CAJERO  
                          BEDFORD,BEGAY,FARLEY,BRADLEY,CONTRERAS,HOBBS,ABLESER  
                          ,QUEZADA,MEZA; NV: MIRANDA)  
                          FSR                      3/4                      DP                      (5-3-0-0-0)  
                          (No: WHEELER,VELASQUEZ,RIOS)

[SCM 1013](#)      rulemaking; electric generating units; opposition  
 SPONSOR:      GRIFFIN, LD14  
                          SENATE                      2/16/2015                      (22-7-1-0)  
                          (No: CAJERO  
                          BEDFORD,FARLEY,BRADLEY,CONTRERAS,HOBBS,ABLESER,QUEZA  
                          DA; NV: MIRANDA)  
                          FSR                      3/4                      DP                      (6-1-0-1-0)  
                          (No: VELASQUEZ; Abs: THORPE)

# **Committee on Government and Higher Education**

**Chairman: Bob Thorpe, LD6**

**Vice Chairman: John Christopher Ackerley, LD2**

**Analyst: Katy Proctor**

**Intern: Danny DeHoog**

[SB 1054](#)      CORP; health benefits; retirement benefits  
 SPONSOR:      LESKO, LD21  
                          SENATE                      1/29/2015                      (28-0-2-0)  
                          (NV: SMITH,MEZA)  
                          GHE                      3/5                      DPA                      (7-0-0-2-0)  
                          (Abs: LOVAS,OLSON)

[SB 1055](#)      EORP; health benefits; retirement benefits  
 SPONSOR:      LESKO, LD21  
                          SENATE                      1/29/2015                      (28-0-2-0)  
                          (NV: SMITH,MEZA)  
                          GHE                      3/5                      DPA                      (7-0-0-2-0)  
                          (Abs: LOVAS,OLSON)

[SB 1057](#)      PSPRS; health benefits; retirement benefits  
 SPONSOR:      LESKO, LD21  
                          SENATE                      1/29/2015                      (28-0-2-0)  
                          (NV: SMITH,MEZA)  
                          GHE                      3/5                      DPA                      (8-0-0-1-0)  
                          (Abs: OLSON)

[SB 1071](#)      tax lien deeds; aggregate fees  
 SPONSOR:      SMITH, LD11  
                          SENATE                      2/9/2015                      (25-4-1-0)  
                          (No: DALESSANDRO,PANCRAZI,CONTRERAS,QUEZADA; NV:  
                          ABLESER)  
                          GHE                      3/5                      DP                      (6-3-0-0-0)  
                          (No: ACKERLEY,FRIESE,SALDATE)

**Committee on Health****Chairman: Heather Carter, LD15****Analyst: Ingrid Garvey****Vice Chairman: Regina Cobb, LD5****Intern: Brennan Rohs**

<a href="#"><u>SB 1010</u></a>	dispensing opticians; continuing education				
SPONSOR:	BARTO, LD15				
	SENATE	2/9/2015			(25-4-1-0)
	(No: ALLEN,BIGGS,FARNSWORTH D,BURGES; NV: ABLESER)				
	HEALTH	3/3	DP		(6-0-0-0-0)
<a href="#"><u>SB 1032</u></a>	AHCCCS; contractors; prescription monitoring				
SPONSOR:	WARD, LD5				
	SENATE	1/29/2015			(28-0-2-0)
	(NV: SMITH,MEZA)				
	HEALTH	2/24	DP		(5-0-0-1-0)
	(Abs: BOYER)				
<a href="#"><u>SB 1136</u></a>	nursing facility assessment; continuation				
SPONSOR:	BARTO, LD15				
	SENATE	2/23/2015			(21-8-1-0)
	(No: PIERCE,ALLEN,SMITH,BIGGS,GRIFFIN,FARNSWORTH D,LESKO,BURGES; NV: CAJERO BEDFORD)				
	HEALTH	3/3	DP		(6-0-0-0-0)
<a href="#"><u>SB 1370</u></a>	controlled substances prescription monitoring program				
SPONSOR:	KAVANAGH, LD23				
	SENATE	2/23/2015			(29-0-1-0)
	(NV: CAJERO BEDFORD)				
	HEALTH	3/3	DP		(6-0-0-0-0)

**Committee on Military Affairs and Public Safety****Chairman: Sonny Borrelli, LD5****Analyst: Casey Baird****Vice Chairman: Mark Finchem, LD11****Intern: Delaney Krauss**

<a href="#"><u>SB 1186</u></a>	fallen correctional employees memorial				
SPONSOR:	GRIFFIN, LD14				
	SENATE	2/16/2015			(29-0-1-0)
	(NV: MIRANDA)				
	MAPS	2/26	DP		(9-0-0-0-0)
<a href="#"><u>SB 1445</u></a>	public records; peace officer's name				
SPONSOR:	SMITH, LD11				
	SENATE	2/23/2015			(23-6-1-0)
	(No: FARLEY,CONTRERAS,HOBBS,ABLESER,DRIGGS,QUEZADA; NV: CAJERO BEDFORD)				
	MAPS	3/5	DP		(7-2-0-0-0)
	(No: ANDRADE,MACH)				
<a href="#"><u>SCR 1014</u></a>	military bases; expressing support				
SPONSOR:	GRIFFIN, LD14				
	SENATE	2/19/2015			(29-0-1-0)
	(NV: WARD)				
	MAPS	3/5	DP		(9-0-0-0-0)

**Committee on Transportation and Infrastructure**

**Chairman: Rick Gray, LD21**

**Vice Chairman: David W. Stevens, LD14**

**Analyst: Justin Riches**

**Intern: Samantha Oswitch**

[SB 1051](#) autocycles; class M license; exemption

SPONSOR: BURGESS, LD22

SENATE  
(NV: ABLESER)  
TI

2/9/2015

(29-0-1-0)

3/3

DP

(9-0-0-0-0)



# HOUSE OF REPRESENTATIVES

SB 1053

appropriations; named claimants

Sponsor: Senator Shooter

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**DP** Committee on Appropriations

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1053 appropriates \$184,594.94 from the state General Fund (GF) to the Arizona Department of Administration (ADOA) to pay claims against various state agencies.

## HISTORY

SB 1053 is the annual relief for named claimants' bill, describing ADOA's appropriation request to the Legislature for monies to pay claims against state agencies. These claims were made by individuals and organizations across the state for payment of services made in previous fiscal years that have yet to receive payment. Each year numerous claims remain unpaid as a result of inadequate filing, lack of documentation or investigations for third party liability.

Arizona Revised Statutes (A.R.S.) § 35-191 mandates the ADOA present to the Legislature an appropriation request for the monies to pay claims if there is sufficient monies to pay the claim, the claim is more than one fiscal year old and less than four fiscal years old.

## PROVISIONS

1. Appropriates \$184,594.94 from the GF to ADOA to pay claims against various state agencies. Some of the appropriated GF monies are transfers from differing originating funds.

Claims Against	Originating Fund	Claim Amount
ADOA	Automation Operations Fund	\$26,608.26
ADOA	GF	\$282.00
ADOA	Motor Vehicle Pool Revolving Fund	\$487.00
ADOA	State Surplus Materials Revolving Fund	\$257.00
ADOA	Risk Management Fund	\$30,814.89
Commission for the Deaf and the Hard of Hearing	Telecommunication Fund for the Deaf	\$330.70
Arizona Department of Corrections	GF	\$109,261.88
Department of Health Services	Emergency Medical Services Operating Fund	\$6,095.00
Arizona Department of Transportation	State Highway Fund	\$9,274.21
Arizona Pioneers' Home	GF	\$1,184.00
<b>TOTAL</b>		<b>\$184,594.94</b>



# HOUSE OF REPRESENTATIVES

## SCM 1010

PILT program; SRS; full funding

Sponsors: Senators Griffin, Allen

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**DP** Committee on Agriculture, Water and Lands

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SCM 1010 urges Congress to provide full long-term funding for the Payments in Lieu of Taxes (PILT) program and reauthorize the Secure Rural Schools and Community Self-Determination Act (SRS) funding.

### HISTORY

The PILT program was established in 1976 to offset costs incurred by counties for services provided to the federal government and to the users of federal lands located within a county. According to the Department of Interior (DOI), PILT payments are provided by the federal government to offset losses in property taxes due to non-taxable federal lands and help local governments carry out vital services such as firefighting and police protection, construction of public schools and roads, and search-and-rescue operations. The payments are made annually for tax-exempt federal lands administered by the Bureau of Land Management, the National Park Service, the U.S. Fish and Wildlife Service (all agencies of the DOI), the U.S. Forest Service (part of the U.S. Department of Agriculture), and for federal water projects and some military installations.

The SRS was passed by Congress in 2000 to stabilize and transition payments to counties and schools away from the declining share of timber sales. The SRS program expired on September 30, 2014 and Congress has not reauthorized the program.

### PROVISIONS

1. Urges Congress to provide full long-term funding for the PILT program to help create financial stability within Arizona's counties.
2. Requests Congress to immediately reauthorize SRS funding for fiscal years 2014 and 2015.
3. Urges Congress to work with the State and county governments to identify and implement policies to promote economic development on, or associated with, federally managed lands.
4. Requests the Secretary of State transmit copies of this Memorial to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of Congress from Arizona.



## HOUSE OF REPRESENTATIVES

### SB 1336

banking permits; application process

Sponsors: Senators Farnsworth D, Begay; Allen, et al.

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**DP** Committee on Banking and Financial Services

**X** Caucus and COW

House Engrossed

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#### OVERVIEW

SB 1336 requires the Superintendent of the Department of Financial Institutions (Superintendent) to establish an organizational and final application process for a banking permit.

#### HISTORY

The Department of Financial Institutions (DFI) is statutorily charged with the licensing, supervision, and regulation of state-chartered financial institutions and enterprises. The regulated entities include money transmitters, motor vehicle dealers, collection agencies, consumer lenders, mortgage banks and brokers, credit unions and banks.

Current law prohibits a person from engaging in the business of receiving money on deposit subject to payment by check or any other form of order or request or on presentation of a certificate of deposit or any other evidence of debt without first obtaining a banking permit from DFI. A person may apply for a permit by submitting an application containing information, data, and records as the Superintendent may require, along with a nonrefundable application fee. Banking permits are valid until surrendered to or revoke by the Superintendent.

Pursuant to Arizona Revised Statutes § 6-204, the Superintendent is required to investigate and examine the facts concerning the applicant upon the filing of an application for a banking permit, and issue the permit if he finds:

- The applicant is a corporation organized under the laws of this state having powers and purpose to engage in the banking business,
- The deposits of the bank will be insured by the Federal Deposit Insurance Corporation (FDIC),
- The ability and integrity of the persons involved in the organization and management of the bank are such as to demonstrate that it will be operated in a sound and lawful manner,
- The applicant has paid in capital which is adequate for its prospective business,
- The need for the bank in the community or area where the bank will be located is such as to demonstrate the favorable prospect for a sound banking operation.

#### PROVISIONS

1. Directs the Superintendent to establish an organizational application process and a final application process for new banking permits applications.
2. Enumerates items that must be included in the organizational application.



3. Allow DFI to accept an organizational application for a new banking permit without simultaneously filing with the FDIC.
4. Specifies that the final application for a new banking permit may begin at any time during the organizational phase.
5. States the required capital must be raised during the final application process.



# HOUSE OF REPRESENTATIVES

## SB 1338

savings and loan association permits

Sponsors: Senators Farnsworth D, Begay: Ableser, et al.

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**DP** Committee on Banking and Financial Services

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1338 decreases the nonrefundable application fee for a savings and loan association permit.

### HISTORY

The Department of Financial Institutions (DFI) is statutorily charged with the licensing, supervision, and regulation of state-chartered financial institutions and enterprises. The regulated entities include money transmitters, motor vehicle dealers, collection agencies, consumer lenders, mortgage banks and brokers, credit unions and banks.

A savings and loan association is an association that receives money on deposit and extends credit for homes and other goods and services. Arizona Revised Statutes (A.R.S.) § 6-407 authorizes five or more state residents to apply for a permit to organize as a savings and loan association. Additionally, statute requires the applicants to have a minimum initial capital in an amount determined by the Superintendent of DFI prior to applying for a permit. The applicants must include with their application statements, exhibits, maps, and other data comprehensive enough to allow the superintendent to approve the application and submit a nonrefundable application fee. The current application fee for a savings and loan association permit is \$10,000 (A.R.S. § 6-126).

### PROVISIONS

1. Reduces the nonrefundable application fee for a saving and loan association permit from \$10,000 to \$5,000.



# HOUSE OF REPRESENTATIVES

SB 1077

child care facilities; SFB guidelines

Sponsors: Senators Yee: Begay, Bradley, et al.

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**DP** Committee on Children and Family Affairs

**X** Caucus and COW

House Engrossed

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## **OVERVIEW**

SB 1077 removes language that certain child care facilities may incorporate School Facilities Board (SFB) guidelines when selecting facilities.

## **HISTORY**

Laws 1973, Chapter 158, established the Arizona Department of Health Services (ADHS) which consists of numerous divisions which include various bureaus, offices and programs within each division. The Division of Public Health Services (Division) licenses and monitors health and child care facilities and providers throughout Arizona. Licensing inspections, on-site surveys and complaint investigations are conducted to promote quality care and safety and ensure that performance standards are met for facility operation and maintenance. The mission of the Division is to protect the health and safety of Arizonans by providing information, establishing standards, and licensing and regulating health and child care services.

The SFB was established in 1998 as part of Students FIRST (Fair and Immediate Resources for Students Today) to administer the state's capital facilities plan for school districts. The SFB is responsible for the evaluation of school capital needs and the distribution of monies to school districts to cure existing deficiencies, for building renewal and for the construction of new facilities.

## **PROVISIONS**

1. Removes language that certain child care facilities may incorporate SFB guidelines when selecting facilities.



# HOUSE OF REPRESENTATIVES

## SB 1170

quarterly reports; requirements; forfeitures  
Sponsors: Senators Allen: Burges, Dial, et al.

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**DP** Committee on County and Municipal Affairs

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1170 directs certain departments and agencies to file quarterly reports relating to forfeiture with county boards of supervisors (BOS) and city and town councils if applicable.

### HISTORY

Arizona Revised Statutes §§ 13-2314.01 & 13-2314.03 establishes the Anti-racketeering Revolving Fund (Fund) to be administered by the Attorney General (AG) and the County Anti-racketeering Revolving Fund (County Fund) to be administered by the county attorney. Monies obtained by a state department, agency or political subdivision as a result of forfeiture or prosecution and investigation costs recovered for the state or county related to racketeering offenses must be deposited into one of the aforementioned funds. Monies deposited in either of the funds accrue interest and must be held for the benefit of the agency or agencies responsible for the seizure or forfeiture to the extent of their contribution. Monies in either of the funds are statutorily authorized for use to fund gang prevention programs, substance abuse prevention programs and substance abuse education programs.

Any state department, agency or political subdivision that receives monies from the Fund, County Fund, or receives monies in relation to property forfeited to this state, or from any department or agency of the US or another state as a result of participating in any investigation or prosecution is required to file a quarterly report with the AG or county attorney, whichever is applicable, that sets forth the source of all monies and expenditures. If an entity fails to file a report within 45 days of the due date, and there is no good cause as determined by the Arizona Criminal Justice Commission (ACJC), the administrator of the Fund or County Fund is prohibited from making expenditures from the fund for the benefit of the entity, until the report is filed.

### PROVISIONS

1. Requires each county to include a link to the ACJC on the county's website.
2. Directs state departments and agencies that file a quarterly report with the AG related to monies received and deposited into the Fund to also file with the BOS if the sheriff received monies and the city or town council if the municipality's department received monies.
3. Requires political subdivisions that file a quarterly report with the county attorney related to monies received and deposited into the County Fund to also file with the BOS of the county and each city or town council in which the political subdivision is located.



# HOUSE OF REPRESENTATIVES

SB 1332

empowerment scholarship accounts; reservation residences

Sponsors: Senators Begay, Barto, Kavanagh, et al.

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**X** Committee on Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1332 expands the definition of *qualifying student* under the Empowerment Scholarship Account (ESA) Program to include a child residing within an Indian Reservation.

## HISTORY

Laws 2011, Chapter 75, established the ESA Program to allow a student to receive a portion of the monies that otherwise would be allocated for the student to attend a public school. ESA monies may be spent on tuition to a qualified school, textbooks, school services or any other expense authorized under the program. Arizona Revised Statutes § 15-2401 defines an ESA *qualified student* as an Arizona resident who is any of the following:

- Identified as having a disability,
- Attends or is eligible to attend kindergarten at a D or F school or school district,
- A previous scholarship recipient of the ESA program or the Arizona Scholarships for Pupils with Disabilities Program,
- A child whose parent or guardian is a member of the armed forces and on active duty or was killed in the line of duty (these students are exempt from any further requirements for qualification),
- A child who is a ward of the juvenile court, or
- A child who is a sibling of a current or previous ESA recipient.

The *qualifying student* must also meet at least one of the following requirements:

- Attended a governmental primary or secondary school as a full-time student for at least 100 days of the prior fiscal year and who transferred under a contract to participate in an ESA,
- Previously participated in the ESA program,
- Received a scholarship from a School Tuition Organization and continues to attend a qualified school,
- Was eligible for an Arizona Scholarship for Pupils with Disabilities, or
- Has not previously attended a governmental primary or secondary school but is currently eligible to enroll in a kindergarten or preschool children with disabilities program.

Laws 2013, Chapter 250, enacted session law that caps new ESAs through 2019 at 0.5% of the total number of students enrolled in school districts and charter schools during the previous school year.

## PROVISIONS

1. Expands the definition of an ESA *qualified student* to include a child who resides within an Indian Reservation.
2. Makes a technical change.



# HOUSE OF REPRESENTATIVES

## SCM 1009

military bases; endangered species act

Sponsors: Senators Griffin, Allen, Burges, et al.

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**DP** Committee on Federalism & States' Rights

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SCM 1009 urges the United States Congress to enact legislation exempting U.S. military bases and training facilities from the regulations and restrictions of the Endangered Species Act (ESA).

### HISTORY

The ESA of 1973 was passed into law by President Richard Nixon on December 28, 1973. It was designed to protect critically imperiled species from extinction as a consequence of economic growth and development untempered by adequate concern and conservation. The ESA defines taking as harassing, harming, pursuing, hunting, shooting, wounding, killing, trapping, capturing or collecting listed animals. The Act is administered by two federal agencies, the United States Fish and Wildlife Service and the National Oceanic and Atmospheric Administration. It also defined what constitutes an endangered species, threatened species, and candidate species. At the time it was enacted, 109 species were listed for protection. Today, over 1,500 species in the United States are designated as threatened or endangered under the ESA.

The mission of the U.S. Department of Defense (DOD) is "to provide the military forces needed to deter war and to protect the security of our country." The DOD has obtained exemptions from three environmental laws since 2003. The Government Accountability Office reports have found no instances where the DOD's uses of exemptions from the Endangered Species Act (ESA) or the Migratory Bird Treaty Act have adversely affected the environment.

### PROVISIONS

1. Urges the United States Congress to enact legislation exempting U.S. military bases and training facilities from the regulations and restrictions of the ESA.
2. Requires the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of Congress from the State of Arizona.



# HOUSE OF REPRESENTATIVES

## SCM 1012

endangered species transparency act

Sponsors: Senators Griffin, Allen, McGuire, et al.

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**DP** Committee on Federalism & States' Rights

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SCM 1012 urges Congress to enact the 21st Century Endangered Species Transparency Act.

### HISTORY

The Endangered Species Act (ESA) of 1973 was passed into law by President Richard Nixon on December 28, 1973. It was designed to protect critically imperiled species from extinction as a consequence of economic growth and untempered development by adequate concern and conservation. The ESA defines taking as harassing, harming, pursuing, hunting, shooting, wounding, killing, trapping, capturing or collecting listed animals. The Act is administered by two federal agencies, the United States Fish and Wildlife Service and the National Oceanic and Atmospheric Administration. It also defined what constitutes an endangered species, threatened species, and candidate species. At the time it was enacted, 109 species were listed for protection. Today, over 1,500 species in the United States are designated as threatened or endangered under the ESA. The ESA was last amended in 1988.

The 21st Century Endangered Species Transparency Act amends the ESA of 1973. It would require the United States Fish and Wildlife Service to track, report to Congress and make available online the federal taxpayer funds used to respond to ESA lawsuits, the number of employees dedicated to ESA litigation and the amount of attorney fees awarded in the course of ESA litigation and settlement agreements.

### PROVISIONS

1. Urges Congress to enact the 21st Century Endangered Species Transparency Act.
2. Requires the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of Congress from the State of Arizona.



# HOUSE OF REPRESENTATIVES

## SCM 1013

rulemaking; electric generating units; opposition

Sponsors: Senators Griffin, Allen, Burges, et al.

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**DP** Committee on Federalism & States' Rights

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SCM 1013 urges Congress to oppose the implementation of rules for existing and new electric generating units that exceed the Environmental Protection Agency's (EPA) legal authority under the Clean Air Act (CAA) and urges that the Governor and the Attorney General of the State of Arizona take appropriate actions to uphold this state's responsibilities with respect to the CAA.

### HISTORY

The EPA was proposed by President Richard Nixon and began operation on December 2, 1970, after Nixon signed an executive order. The EPA is an agency of the U.S. federal government which was created for the purpose of protecting human health and the environment by writing and enforcing regulations based on laws passed by Congress. The EPA has thirteen divisions and has 10 regions with each having a regional office that works with cases in those regions.

The CAA is a United States federal law designed to control air pollution on a national level. It requires the EPA to develop and enforce regulations to protect the public from airborne contaminants known to be hazardous to human health. There are several parts to the CAA, including air quality and emissions limitations, ozone protection, prevention of significant deterioration of air quality, and plan requirements for non-attainment areas.

Section 111 of the Clean Air Act requires the EPA to develop regulations for categories of sources which cause or significantly contribute to air pollution which may endanger public health or welfare. Such regulations apply to each new source within a category without regard to source location or existing air quality.

### PROVISIONS

1. Urges that the U.S. Congress:
  - a. Oppose the implementation of rules for existing electric generating units that exceed the EPA's legal authority under Section 111 of the CAA and interfere with the prerogative of Arizona to regulate electricity and ensure an affordable and reliable supply of electricity for its citizens;
  - b. Oppose the implementation of rules for new or existing electric generating units that do not recognize the primary role of states in establishing and implementing plans to achieve emissions reductions for existing units under Section 111 of the CAA; and
  - c. Exercise oversight over the EPA to ensure that the primary role of states in establishing and implementing rules under Section 111 of the CAA is respected.
2. Urges that the Governor and the Attorney General of the State of Arizona take appropriate actions to uphold this state's responsibilities with respect to the CAA and defend the state against overreaching regulations.
3. Requires that the Secretary of State of the State of Arizona transmit a copy of this Memorial to the President of the U.S., the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, each



Member of Congress from the State of Arizona, the Administrator of the U.S. EPA, the Governor of the State of Arizona and the Attorney General of the State of Arizona.



# HOUSE OF REPRESENTATIVES

SB 1054

CORP; health benefits; retirement benefits

Sponsor: Senator Lesko

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**DPA** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1054 makes changes to the lump sum payment of permanent benefit increases (PBI) and the health insurance/accident premium benefit program under the Correctional Officers Retirement Plan (CORP).

## HISTORY

### *General*

CORP is administered under the umbrella of the Public Safety Personnel Retirement System (PSPRS) for employees who generally fit into three groups: corrections and detention personnel, probation and surveillance officers and dispatchers. CORP is a defined benefit plan where the pension benefit is determined by formula based on compensation and years of service.

### *Health /Accident Insurance Premium Benefit*

Pursuant to Arizona Revised Statutes (A.R.S.) §§ 38-906, 38-651.01 and 38-782, for retirees and eligible survivors under CORP that elect group health insurance and/or accident insurance coverage through the Arizona State Retirement System group plan (ASRS), the Arizona Department of Administration (ADOA) group plan or a group plan through an employer, CORP will pay up to the following premium benefit amount:

<b>Single</b>	<b>Premium Benefit</b>	<b>Family</b>	<b>Premium Benefit</b>
Non-Medicare Eligible	\$150/month	None Medicare Eligible	\$260/month
Medicare Eligible	\$100/month	All with Medicare	\$170/month
		One with or without Medicare	\$215/month

### *Permanent Benefit Increases*

The CORP PBI is outlined in A.R.S. § 38-905 and was modified through Laws 2011, Chapter 357\* in A.R.S. § 38-905.02. PBIs are paid to retirees on a monthly basis, depending on the rate of return for the overall plan and the funded status of the CORP account. A.R.S. § 38-905.01 allows a retiree or survivor to ask the PSPRS Board of Trustees to have the PBI paid in a lump sum payment, if the normal payment would impact the person receiving any social service program provided to the retiree by the local, state or federal government. Current law makes this lump sum payment eligible for a direct rollover distribution into another retirement account or plan.

\*The 2011 PBI changes are the subject of ongoing litigation. Changes to pre-Laws 2011, Chapter 357 retirees were declared invalid by the Arizona Supreme Court in 2014 (Fields v. Elected Officials' Retirement Plan, 234 Ariz. 214 (2014)).

### *IRS Favorable Determination Letter*

A favorable determination letter is a document issued by the Internal Revenue Service (IRS) upon request regarding the qualified status of a retirement plan under the Internal Revenue Code (IRC), § 401(a) ([IRS Favorable Determination Publication](#)). According to the IRS, employers who sponsor retirement plans are generally not required to apply for a determination letter from the IRS; however, having a favorable determination letter provides the employer with reliance that:

- The plan is qualified under IRC § 401(a); and
- The plan's trust is exempt under IRC § 501(a)

### **PROVISIONS**

1. Makes lump sum PBI payments ineligible for a direct rollover distribution into another retirement account.
2. States that if a CORP member who is eligible for the health/accident insurance premium benefit forfeits interest in the account before termination of CORP, the amount of the forfeiture must be quickly applied to reduce employer contributions required to fund the health insurance benefit.
3. Makes the changes in the section related to the health/accident insurance premium benefit retroactive to September 26, 1990.
4. Makes technical and conforming changes.

### **AMENDMENTS**

#### **Committee on Government and Higher Education**

##### *Eligible Rollover Distribution*

1. Authorizes rollover distributions by a CORP member or beneficiary (including a non-spouse designated beneficiary) made from and after December 31, 2007, into a ROTH individual retirement account (ROTH IRA). Qualifies distributions made before January 1, 2010 based on the limits for ROTH IRAs that were in effect at the time of the rollover.
2. Includes the amount rolled into a ROTH IRA in the member or beneficiary's gross income to the extent that it would have been included if not rolled over.
3. States that the CORP administrator is not responsible for ensuring that the person is eligible to make a ROTH IRA rollover.
4. Authorizes a non-spouse designated beneficiary to do a direct rollover into an individual retirement account (IRA) or annuity established on behalf of the beneficiary that will be treated as an inherited IRA under federal law.
5. Requires the rollover distribution to satisfy the definition of an eligible rollover distribution under federal law. Clarifies that several federal laws do not apply to the application of this type of rollover.
6. Provides the following rollover notice timeframes:
  - a. Plan years that occurred before January 1, 2007:
    - i. No less than 30 days and no more than 90 days before the distribution.
  - b. Plan years beginning on January 1, 2007:
    - i. No less than 30 days and no more than 180 days before distribution.
7. Specifies that the lump sum distribution from a reverse deferred retirement option plan (Reverse DROP) may be rolled over into an eligible retirement plan as outlined above.

##### *Military Service*

8. Provides that for plan years beginning January 1, 2008, qualified military service is not considered severance from employment during the service.

9. Considers payments made by the employer to the CORP member during qualified military service as compensation, to the extent that the payment does not exceed the amount that would have been received if the employee was working for the employer and not performing qualified military service.
10. States that CORP survivors are entitled to any benefits provided under CORP, for deaths occurring from and after December 31, 2006 that occur while the member is performing qualified military service.
  - a. Does not include benefit accruals related to the period of qualified military service.

*Miscellaneous*

11. Excludes the following from the definition of an *eligible rollover distribution*:
  - a. Distributions made to satisfy federal law;
  - b. Hardship distributions;
  - c. Similar items designated by the IRS.
12. Defines *plan year* and *fiscal year*.
13. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

## SB 1055

EORP; health benefits; retirement benefits

Sponsor: Senator Lesko

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**DPA** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1055 makes changes to the lump sum payment of permanent benefit increases (PBI) and the health insurance/accident premium benefit program under the Elected Officials' Retirement Plan (EORP).

### HISTORY

#### *General*

EORP is administered under the umbrella of the Public Safety Personnel Retirement System (PSPRS) for elected officials and judges. EORP is a defined benefit plan where the pension benefit is determined by formula based on compensation and years of service. Laws 2013, Chapter 217 closed the EORP permanently to new members, beginning on January 1, 2014. New elected officials and judges participate in the Elected Officials Defined Contribution Retirement System.

#### *Health /Accident Insurance Premium Benefit*

Pursuant to Arizona Revised Statutes (A.R.S.) §§ 38-817, 38-651.01 and 38-782, for retirees and eligible survivors under EORP that elect group health insurance and/or accident insurance coverage through the Arizona State Retirement System group plan, the Arizona Department of Administration (ADOA) group plan or a group plan through an employer, EORP will pay a premium benefit of up to:

<b>Single</b>	<b>Premium Benefit</b>	<b>Family</b>	<b>Premium Benefit</b>
Non-Medicare Eligible	\$150/month	None Medicare Eligible	\$260/month
Medicare Eligible	\$100/month	All with Medicare	\$170/month
		One with or without Medicare	\$215/month

This amount is reduced according to the following schedule depending on a retiree's years of service:

<b>Years of Service</b>	<b>Percent of Premium Benefit</b>
7.0-7.9	90%
6.0-6.9	75%
5.0-5.9	60%
Less than 5.0	0

#### *Permanent Benefit Increases*

The EORP PBI is outlined in A.R.S. § 38-818 and was modified through Laws 2011, Chapter 357\* in A.R.S. § 38-818.01. PBIs are paid to retirees on a monthly basis, depending on the rate of return for the overall plan and

the funded status of the EORP account. A.R.S. § 38-819 allows a retiree or survivor to ask the PSPRS Board of Trustees to have the PBI paid in a lump sum payment, if the normal payment would impact the person receiving any social service program provided to the retiree by the local, state or federal government. Current law makes this lump sum payment eligible for a direct rollover distribution into another retirement account or plan.

\*The 2011 PBI changes are the subject of ongoing litigation. Changes to pre-Laws 2011, Chapter 357 retirees were declared invalid by the Arizona Supreme Court in 2014 (Fields v. Elected Officials' Retirement Plan, 234 Ariz. 214 (2014)).

#### *IRS Favorable Determination Letter*

A favorable determination letter is a document issued by the Internal Revenue Service (IRS) upon request regarding the qualified status of a retirement plan under the Internal Revenue Code (IRC), § 401(a) ([IRS Favorable Determination Publication](#)). According to the IRS, employers who sponsor retirement plans are generally not required to apply for a determination letter from the IRS; however, having a favorable determination letter provides the employer with reliance that:

- The plan is qualified under IRC § 401(a); and
- The plan's trust is exempt under IRC § 501(a)

#### **PROVISIONS**

1. Makes lump sum PBI payments ineligible for a direct rollover distribution into another retirement account.
2. States that if a EORP member who is eligible for the health/accident insurance premium benefit forfeits interest in the account before termination of EORP, the amount of the forfeiture must be quickly applied to reduce employer contributions required to fund the health insurance benefit.
3. Makes the changes in the section related to the health/accident insurance premium benefit retroactive to May 15, 1990.
4. Makes technical changes.

#### **AMENDMENTS**

##### **Committee on Government and Higher Education**

#### *Eligible Rollover Distribution*

1. Authorizes rollover distributions by an EORP member or beneficiary (including a non-spouse designated beneficiary) made from and after December 31, 2007, into a ROTH individual retirement account (ROTH IRA). Qualifies distributions made before January 1, 2010 based on the limits for ROTH IRAs that were in effect at the time of the rollover.
2. Includes the amount rolled into a ROTH IRA in the member or beneficiary's gross income to the extent that it would have been included if not rolled over.
3. States that the EORP administrator is not responsible for ensuring that the person is eligible to make a ROTH IRA rollover.
4. Authorizes a non-spouse designated beneficiary to do a direct rollover into an individual retirement account (IRA) or annuity established on behalf of the beneficiary that will be treated as an inherited IRA under federal law. Applies for distributions made from and after December 31, 2009.
5. Requires the rollover distribution to satisfy the definition of an eligible rollover distribution under federal law. Clarifies that several federal laws do not apply to the application of this type of rollover.
6. Provides the following rollover notice timeframes:
  - a. Plan years that occurred before January 1, 2007:
    - i. No less than 30 days and no more than 90 days before the distribution.
  - b. Plan years beginning on January 1, 2007:
    - i. No less than 30 days and no more than 180 days before distribution.

*Military Service*

7. Provides that for plan years beginning January 1, 2008, qualified military service is not considered severance from employment during the service.
8. Considers payments made by the employer to the EORP member during qualified military service as compensation, to the extent that the payment does not exceed the amount that would have been received if the employee was working for the employer and not performing qualified military service.
9. States that EORP survivors are entitled to any benefits provided under EORP, for deaths occurring from and after December 31, 2006 that occur while the member is performing qualified military service.
  - a. Does not include benefit accruals related to the period of qualified military service.

*Miscellaneous*

10. Excludes the following from the definition of an *eligible rollover distribution*:
  - a. Distributions made to satisfy federal law;
  - b. Hardship distributions;
  - c. Similar items designated by the IRS.
11. Defines *plan year* and *fiscal year*.
12. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

## SB 1057

PSPRS; health benefits; retirement benefits

Sponsor: Senator Lesko

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**DPA** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1057 makes changes to the lump sum payment of permanent benefit increases (PBI) and the health insurance/accident premium benefit program under the Public Safety Personnel Retirement System (PSPRS).

### HISTORY

#### *General*

PSPRS was established by the Legislature in 1968 as a defined benefit retirement plan for peace officers and firefighters. The PSPRS Fund is supported by member contributions, employer contributions and investment earnings. Monies in PSPRS are pooled for investment purposes, but each employer maintains a separate account for pension payments, and each employer has its own contribution rate based on the cost of the benefit and unfunded liability associated with that employer's account. Employee contribution rates are established in statute (Arizona Revised Statutes (A.R.S.) § 38-843). PSPRS is managed by a Board of Trustees, consisting of seven members, who are statutorily responsible for the management of PSPRS investments. Each employer also has a local board that makes eligibility and disability determinations.

#### *Health /Accident Insurance Premium Benefit*

Pursuant to A.R.S. §§ 38-857, 38-651.01 and 38-782, for retirees and eligible survivors under PSPRS that elect group health insurance and/or accident insurance coverage through the Arizona State Retirement System group plan, the Arizona Department of Administration group plan or a group plan through an employer, PSPRS will pay a premium benefit of up to:

<b>Single</b>	<b>Premium Benefit</b>	<b>Family</b>	<b>Premium Benefit</b>
Non-Medicare Eligible	\$150/month	None Medicare Eligible	\$260/month
Medicare Eligible	\$100/month	All with Medicare	\$170/month
		One with or without Medicare	\$215/month

#### *Permanent Benefit Increases*

The PSPRS PBI formula is outlined in A.R.S. § 38-856 and was modified through Laws 2011, Chapter 357\* in A.R.S. § 38-856.02. PBIs are paid to retirees on a monthly basis, depending on the rate of return for the overall plan and the funded status of the PSPRS account. A.R.S. § 38-856.01 allows a retiree or survivor to ask the PSPRS Board of Trustees to have the PBI paid in a lump sum payment, if the normal payment would impact the person receiving any social service program provided to the retiree by the local, state or federal government. Current law makes this lump sum payment eligible for a direct rollover distribution into another retirement account or plan.



\*The 2011 PBI changes are the subject of ongoing litigation. Changes to pre-Laws 2011, Chapter 357 retirees were declared invalid by the Arizona Supreme Court in 2014 (Fields v. Elected Officials' Retirement Plan, 234 Ariz. 214 (2014)).

#### *IRS Favorable Determination Letter*

A favorable determination letter is a document issued by the Internal Revenue Service (IRS) upon request regarding the qualified status of a retirement plan under the Internal Revenue Code (IRC), § 401(a) ([IRS Favorable Determination Publication](#)). According to the IRS, employers who sponsor retirement plans are generally not required to apply for a determination letter from the IRS; however, having a favorable determination letter provides the employer with reliance that:

- The plan is qualified under IRC § 401(a); and
- The plan's trust is exempt under IRC § 501(a)

#### **PROVISIONS**

1. Makes lump sum PBI payments ineligible for a direct rollover distribution into another retirement account.
2. States that if a PSPRS member who is eligible for the health/accident insurance premium benefit forfeits interest in the account before termination of PSPRS, the amount of the forfeiture must be quickly applied to reduce employer contributions required to fund the health insurance benefit.
3. Removes the purchase of a handgun or shotgun at less than fair market value from the benefits provided under PSPRS for retirees.
4. Makes the change in the section related to the health/accident insurance premium benefit retroactive to September 29, 1988.
5. Makes technical changes.

#### **AMENDMENTS**

#### **Committee on Government and Higher Education**

##### *Eligible Rollover Distribution*

1. Authorizes rollover distributions by a PSPRS member or beneficiary (including a non-spouse designated beneficiary) made from and after December 31, 2007, into a ROTH individual retirement account (ROTH IRA). Qualifies distributions made before January 1, 2010 based on the limits for ROTH IRAs that were in effect at the time of the rollover.
2. Includes the amount rolled into a ROTH IRA in the member or beneficiary's gross income to the extent that it would have been included if not rolled over.
3. States that the PSPRS administrator is not responsible for ensuring that the person is eligible to make a ROTH IRA rollover.
4. Authorizes a non-spouse designated beneficiary to do a direct rollover into an individual retirement account (IRA) or annuity established on behalf of the beneficiary that will be treated as an inherited IRA under federal law. Applies to distributions made from and after December 31, 2009.
5. Requires the rollover distribution to satisfy the definition of an eligible rollover distribution under federal law. Clarifies that several federal laws do not apply to the application of this type of rollover.
6. Provides the following rollover notice timeframes:
  - a. Plan years that occurred before January 1, 2007:
    - i. No less than 30 days and no more than 90 days before the distribution.
  - b. Plan years beginning on January 1, 2007:
    - i. No less than 30 days and no more than 180 days before distribution.

7. Specifies that the lump sum distribution from a deferred retirement option plan (DROP) may be rolled over into an eligible retirement plan as outlined above.

*Military Service*

8. Provides that for plan years beginning January 1, 2008, qualified military service is not considered severance from employment during the service.
9. Considers payments made by the employer to the PSPRS member during qualified military service as compensation, to the extent that the payment does not exceed the amount that would have been received if the employee was working for the employer and not performing qualified military service.
10. States that PSPRS survivors are entitled to any benefits provided under PSPRS, for deaths occurring from and after December 31, 2006 that occur while the member is performing qualified military service.
  - a. Does not include benefit accruals related to the period of qualified military service.

*Miscellaneous*

11. Excludes the following from the definition of an *eligible rollover distribution*:
  - a. Distributions made to satisfy federal law;
  - b. Hardship distributions;
  - c. Similar items designated by the IRS.
12. Defines *plan year* and *fiscal year*.
13. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

## SB 1071

tax lien deeds; aggregate fees

Sponsors: Senators Smith, McGuire; Representative Stevens, et al.

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1071 limits fees that a county treasurer (Treasurer) may charge for a judgment deed conveying property on which a lien was sold to an aggregate amount not to exceed \$500.

### HISTORY

Arizona Revised Statutes (A.R.S.) § 41-18101 stipulates that a Treasurer shall secure unpaid delinquent tax payments by selling tax liens at an aggregate amount equal to all unpaid taxes, penalties, interest and charges due on the property for current and proceeding years. Each year the Treasurer must hold an auction where investors bid to purchase tax liens, the investor who bids the lowest interest rate wins the lien through the payment of delinquent taxes.

Once a sale of delinquent taxes occurs, the Treasurer will provide a certificate of purchase (CP) which describes the real property on which a lien is sold and lists details of the sale. Statute allows the Treasurer to collect ten dollars from the purchaser for each CP. (A.R.S. § 42-18118)

A real property tax lien may be redeemed within three years of the date of its sale by the owner, the owner's agent, assignee or attorney, or any person who has legal or equitable claim in the property. In order to redeem a lien, an individual must pay the amount for which the lien was sold with the interest that is specified on the CP, the taxes accruing after the sale and statutory fees paid by the purchaser. (A.R.S. §§ 42-18151, 42-18152)

Pursuant to A.R.S. § 42-18201, in cases that a lien has not been redeemed within three years of its sale, the purchaser of the lien may bring an action to foreclose the right to redeem to the county's superior court. If the court finds the sale valid, it will enter a judgment to foreclose the right to redeem, which directs the Treasurer to expeditiously execute and deliver to the party in whose favor the judgment is entered, a deed conveying the property described in the CP. (A.R.S. § 42-18204)

Current statute states that once a purchaser receives a certified copy of the judgment foreclosing the right to redeem, they shall pay a \$50 fee to the Treasurer's office. The Treasurer's office must then execute and deliver a deed conveying the property from the judgment to the purchaser. Laws 2004, Chapter 232 increased the judgment deed fee from \$10 to \$50.

### PROVISIONS

1. Stipulates that a Treasurer's fees for a deed conveying property listed in a judgment foreclosing the right to redeem shall not to exceed an aggregate amount of \$500 in cases where ten or more parcels are involved.
2. Makes the changes in this section apply retroactively to any judgment that is entered before the effective date of this act for which the deed has not been obtained.



# HOUSE OF REPRESENTATIVES

## SB 1010

dispensing opticians; continuing education

Sponsor: Senator Barto

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1010 increases the amount of continuing education for dispensing opticians.

### HISTORY

Arizona Revised Statutes (A.R.S.) § 32-1672 established the Arizona Board of Dispensing Opticians (Board) with the mission to make sure that the consumers of the State of Arizona are afforded quality optical services. The board consists of seven members appointed by the governor including five licensees in good standing and two members of the public. Each member is required to serve for a term of five years. In order to practice as a dispensing optician in Arizona, a person is required to obtain a valid license issued by the Board.

A.R.S. § 32-1687 requires all licensed dispensing opticians to complete a continuing education requirement. Opticians can satisfy the continuing education requirement by home study courses or attending seminars and are not required to join a professional association of dispensing opticians in Arizona in order to fulfill the requirement. Currently, statute requires dispensing opticians to complete 12 hours of continuing education every three years.

### PROVISIONS

1. Increases the amount of continuing education for dispensing opticians from 12 to 21 hours every three years.



# HOUSE OF REPRESENTATIVES

SB 1032

AHCCCS; contractors; prescription monitoring

Sponsor: Senator Ward

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1032 requires an Arizona Health Care Cost Containment System (AHCCCS) contractor to intervene if a member has 10 or more prescriptions for controlled substances within a three-month period.

## HISTORY

Laws 1981, Chapter 1, established AHCCCS. AHCCCS is Arizona's Medicaid Program that oversees contracted health plans in the delivery of health care to individuals and families who qualify for Medicaid and other medical assistance programs. Through contracted health plans across the state, AHCCCS delivers health care to qualifying individuals including low-income adults, their children or people with certain disabilities.

AHCCCS provides medical assistance programs for acute care, long term care and contracts with the Arizona Department of Health Services Division of Behavioral Health Services to bring behavioral health services to its acute care members. As of February 2015 there are approximately 1.6 million individuals enrolled in the AHCCCS program.

## PROVISIONS

1. Requires a contractor to intervene if a member has 10 or more prescriptions for controlled substances within a three-month period.
2. Requires contractors to monitor prescriptions that are filled by members and intervene with the prescriber and the member when excessive amounts of controlled substances are used.
3. Requires contractors to direct cases involving excessive controlled substance use to the system medical director for review.



# HOUSE OF REPRESENTATIVES

SB 1136

nursing facility assessment; continuation

Sponsors: Senators Barto, Hobbs; Representative Carter, et al.

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1136 continues the nursing facility assessment for eight years and makes various changes relating to the nursing facility assessment.

## HISTORY

The Arizona Department of Health Services (ADHS) licenses and monitors health care facilities and providers throughout the state. Licensing inspections, on-site surveys, and complaint investigations are conducted to promote quality care and safety and to ensure that performance standards are met for facility operation and maintenance. The Arizona Health Care Cost Containment System (AHCCCS) contracts with licensed nursing facilities to offer services for individuals who require nursing home or in-home care. Some of these services are offered through the Arizona Long Term Care System (ALTCS) for individuals who are 65 or older, blind or have a disability (at any age) and need ongoing services at a nursing facility level of care. In addition to these eligibility criteria, for an individual to be eligible for ALTCS their household monthly income cannot exceed \$2,000.

Laws 2012, Chapter 213 established a provider assessment on nursing facilities within the state of Arizona, beginning October 1, 2012. The nursing assessment is set to repeal on October 1, 2015.

## PROVISIONS

1. Allows the Director of AHCCCS (Director) to revoke or suspend a nursing facility's AHCCCS provider agreement registration if the full assessment amount is not paid on time.
2. Specifies that if the Director of AHCCCS suspends or revokes a provider agreement registration and the nursing facility does not comply within 180 days, the Director is required to notify the Director of ADHS.
3. Requires the Director of ADHS to suspend or revoke a nursing facility's license if they have been notified of a nursing facility's noncompliance by AHCCCS.
4. Removes authority, related to failure to pay an assessment from AHCCCS, to do the following:
  - a. Withhold medical assistance reimbursement payments;
  - b. Suspend or revoke the nursing facility's license; and
  - c. Require the nursing facility to make payment installments for any delinquent assessment.
5. Stipulates that a nursing facility located outside this state may not receive adjustment payments.
  - a. Subject to the approval by the Centers for Medicare and Medicaid Services.
6. Changes the repeal date of the nursing facility assessment to from and after September 30, 2023.



# HOUSE OF REPRESENTATIVES

SB 1370

controlled substances prescription monitoring program

Sponsor: Senator Kavanagh

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1370 requires medical practitioners to gain access to the Controlled Substances Prescription Monitoring Program (CSPMP).

## HISTORY

The Arizona State Board of Pharmacy (Board) was established in 1903 and consists of nine members that include six licensed pharmacists, one licensed pharmacy technician and two public members all appointed by the governor. The Board's mission is to protect the health, safety and welfare of the citizens of Arizona by regulating the practice of pharmacy and the distribution, sale and storage of prescription medications and devices and non-prescription medications. The Board's duties include licensing pharmacists, pharmacy interns, pharmacy technicians and pharmacy technician trainees. The Board also issues permits to pharmacies, drug manufacturers, wholesalers, distributors and suppliers in Arizona. In addition, the Board adopts rules necessary to protect the public, investigates alleged violations, conducts disciplinary hearings and by rule, approves colleges and programs.

The Controlled Substance Act (ACT) is a federal law passed in 1970 that regulates the manufacture, possession and distribution of controlled substances. The Act divides substances into five schedules based on their relative abuse potential, accepted medical use in treatment and the likelihood of causing dependence. Practitioners who possess, distribute or prescribe controlled substances are required to register with the Federal Drug Enforcement Agency and obtain a unique number identifier (21 U.S.C. § 822).

Laws 2007, Chapter 269 established the CSPMP. The CSPMP is a program developed to promote the public health and welfare by detecting diversion, abuse, and misuse of prescription medications classified as controlled substances under the Arizona Uniform Controlled Substances Act. The CSPMP maintains a computerized central database tracking system that tracks the prescribing, dispensing and consumption of schedule II, III and IV controlled substances that are dispensed by a licensed medical practitioner or pharmacy (Arizona Revised Statutes § 36-2602).

## PROVISIONS

1. Requires a medical practitioner regulatory board to notify the Board, on a monthly basis, of any initial licensures for medical practitioners who intend to apply for registration under the Act and licensure renewals for practitioners for the purpose of registering a medical practitioner and accessing the CSPMP.
2. Requires a medical practitioner regulatory board to:
  - a. Provide necessary information to the Board to register and provide access to an eligible medical practitioner; and
  - b. Notify each medical practitioner receiving an initial license who intends to register under the Act, of their responsibility to register with the Board and be granted access to the CSPMP.

3. States that, on receipt of licensure and renewal confirmation, the Board must register a medical practitioner and provide access to the CSPMP.
4. Specifies that the Board must notify each medical practitioner of their registration and access to the system, as well as how to use it.
5. Requires the Board to notify an initial licensee of their responsibility, as well as the process, to register with the Board and be granted access to the CSPMP.
6. Eliminates the biennial renewal requirement and procedures for initial licensure and renewals.
7. Repeals statute relating to the termination of the CSPMP.
8. Excludes veterinarians from requirements relating to the CSPMP.
9. Requires the Board to submit a report, on or before July 1, 2016 and every two years thereafter that includes:
  - a. Changes in registration for and access to the CSPMP;
  - b. Statistical data regarding the change in utilization of the CSPMP by type of licensed medical practitioner from January 1, 2016, to the date of the report; and
  - c. Any relevant information from the Arizona prescription drug misuse and abuse initiative.
10. Requires the Board to deliver the report to:
  - a. The President of the Senate;
  - b. The Speaker of the House of Representatives;
  - c. The governor; and
  - d. Deliver a copy of the report to the secretary of state.
11. Specifies that a county medical examiner, alternate medical examiner or an authorized delegate may receive information from the CSPMP for the purpose of a death investigation.
12. Modifies the definition of the term *delegate* to include:
  - a. A forensic pathologist, medical death investigator or other qualified person in connection with a death investigation.
13. Defines *medical practitioner* and *medical practitioner regulatory board*.
14. Contains an effective date of from and after December 31, 2015.
15. Makes technical and conforming changes.





# HOUSE OF REPRESENTATIVES

SB 1186

fallen correctional employees memorial

Sponsors: Senators Griffin, Allen; Representative Borrelli, et al.

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**DP** Committee on Military Affairs and Public Safety

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1186 authorizes the establishment of a memorial in the Governmental Mall complex dedicated to fallen Arizona Department of Corrections (ADC) employees.

## HISTORY

The Governmental Mall complex is located within the western boundary of 19<sup>th</sup> Avenue, northern boundary of Van Buren Street, eastern boundary of 7<sup>th</sup> Avenue, and southern boundary of the Harrison Street alignment in Phoenix (Arizona Revised Statutes [A.R.S.] § 41-1362).

A.R.S. § 41-1363 prescribes procedures for the establishment of a new memorial within the Governmental Mall complex. Establishment of a new memorial is subject to approval by the Legislature and must be completed within two years of authorization. Proponents of a concept must submit the design, dimensions, and location to the Department of Administration (ADOA) for approval. After approval, ADOA submits a review and recommendations to the Legislative Governmental Mall Commission (Commission), which consists of ten voting members and two advisory members chosen pursuant to A.R.S. § 41-1361, for final approval of the plan.

Proponents of a new memorial are responsible for fundraising activities to pay for design and construction costs. Proponents must also submit an amount equal to at least 10% of the design and construction costs or an amount determined by the Commission to ADOA for deposit in the Monument and Memorial Repair Fund to pay for ongoing maintenance costs (A.R.S. §§ 41-1363 and 41-1365).

## PROVISIONS

1. Authorizes ADOA to provide for the placement of a memorial dedicated to fallen ADC employees in an area within the western boundary of 17<sup>th</sup> Avenue, northern boundary of Jefferson Street, eastern boundary of 16<sup>th</sup> Avenue, and southern boundary of Madison Street (between the ADC buildings).
2. Prescribes the same procedures for establishment of the memorial as other new memorials, which includes submission of the design, dimension, and location to ADOA and subsequent review and final approval of the plan by the Commission.
3. Prohibits the use of public monies to pay for any memorial costs.
4. Stipulates that the proponents of the memorial are solely responsible for fundraising activities to pay for design and construction costs.
5. Prohibits the state from facilitating any fundraising activities or establishing a state fund to deposit monies collected to pay for memorial costs.
6. Repeals on October 1, 2018.



# HOUSE OF REPRESENTATIVES

SB 1445

public records; peace officer's name

Sponsors: Senators Smith, Burges; Representative Borrelli, et al.

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**DP** Committee on Military Affairs and Public Safety

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1445 limits the release of the name of a peace officer who is involved in a use of deadly physical force incident for 90 days.

## HISTORY

Arizona Revised Statutes (A.R.S.) § 39-121 states that public records and other matters in the custody of a public officer are open to inspection by any person at all times. An officer or custodian may refuse inspection of public records to protect the best interests of the state where inspection might lead to substantial private or public harm; however only if this harm outweighs the public right to disclosure of records.

Statute provides over 300 exemptions that address the confidentiality of and public access to records. Public records laws do not require the disclosure of a peace officer's residential address or phone number (A.R.S. § 11-483). A law enforcement agency may release a photograph of a peace officer who is arrested for or charged with a misdemeanor or felony offense. The agency may also release a photograph of a peace officer upon request from a newspaper unless the release is not in the best interest of the state, taking into consideration the privacy, confidentiality, and safety of the officer (A.R.S. § 39-123).

*Deadly physical force* is used with the purpose of causing or creating substantial risk of death or serious physical injury. *Serious physical injury* creates a reasonable risk of death or causes serious and permanent disfigurement, serious impairment of health, or loss or protracted impairment of the function of any bodily organ or limb (A.R.S. § 13-105).

A peace officer is justified in using deadly physical force against a person in defense of what the officer reasonably believes is the use or imminent use of deadly physical force. A peace officer is also justified in using deadly physical force to facilitate the arrest or prevent the escape of a person whom the officer reasonably believes:

- has committed or attempted to commit or is committing or attempting to commit a felony involving the use or threatened use of a deadly weapon;
- is attempting to escape by use of a deadly weapon;
- is likely to endanger others unless apprehended immediately based the person's known past or present conduct; or
- is participating in a riot while armed with a deadly weapon for the purpose of lawfully suppressing the riot (A.R.S. § 13-410).

## PROVISIONS

1. Stipulates that public records laws do not require the disclosure of the name of a peace officer who is involved in a use of deadly physical force incident that results in death or serious physical injury for 90 days.
2. Prohibits a law enforcement agency or an employing state or local government entity from releasing the peace officer's name for 90 days.
3. Specifies the conditions under which the peace officer's name may be disclosed or released prior to 90 days:
  - a. the peace officer is arrested or formally charged for actions relating to the incident;
  - b. the criminal investigation of the incident is complete;
  - c. the peace officer consents to the release in writing; or
  - d. an Arizona Rule of Criminal Procedure requires the release.
4. Permits a law enforcement agency or employing state or local government entity to refuse to respond to a request for the peace officer's name that is more than 30 days old.



# HOUSE OF REPRESENTATIVES

## SCR 1014

military bases; expressing support

Sponsor: Senator Griffin

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**DP** Committee on Military Affairs and Public Safety

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SCR 1014 expresses the Legislature's continued support for, and acknowledges the importance of, Arizona's military facilities.

### HISTORY

Fort Huachuca is a U.S. Army installation located in Cochise County in southeastern Arizona. The primary missions at Fort Huachuca are Military Intelligence training, U.S. Army network management, communications-electronics testing and training, and unmanned aerial systems training. Missions are conducted by the U.S. Army Intelligence Center, Network Enterprise Technology Command, U.S. Army Information Systems Engineering Command, Joint Interoperability Test Command, U.S. Army Aviation Center, and 11<sup>th</sup> Signal Brigade.

Davis-Monthan Air Force Base is located within the city limits of Tucson, Arizona and trains professional pilots to prepare them for potential war. Davis-Monthan Air Force Base employs over 7,500 military personnel and 3,000 civilian employees and contractors. The 355<sup>th</sup> Fighter Wing is the host unit at the base, providing medical, logistical, mission, and operational support to all assigned units.

Luke Air Force Base is located in Glendale, Arizona and hosts the 56<sup>th</sup> Fighter Wing; it is the largest fighter wing in the world with 185 aircraft, 27 squadrons, 4 tenant units, nearly 7,000 military and civilian personnel, and stewardship of the 1.7 million acre Barry M. Goldwater Air Force Range. Luke Air Force Base is the only active-duty Air Force F-16 training wing.

Barry M. Goldwater Air Force Range is located in Wellton, Arizona and is utilized by the U.S. Navy, U.S. Marine Corps, U.S. Air Force Reserve, and other military units for training. The Barry M. Goldwater Air Force Range consists of several sub-ranges, including air to ground weapons delivery ranges, tactical ranges, and air to air combat training ranges.

### PROVISIONS

1. States that the members of the Arizona Senate and House of Representatives express their support for, and acknowledge the importance of, Arizona's military facilities.



# HOUSE OF REPRESENTATIVES

SB 1051

autocycles; class M license; exemption

Sponsors: Senators Burges: Allen, Barto, et al.

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**DP** Committee on Transportation & Infrastructure

**X** Caucus and COW

House Engrossed

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## OVERVIEW

HB 2211 adds the definition of autocycle to statute and specifies a person who drives an autocycle is not required to hold a Class M license.

## HISTORY

Arizona Revised Statutes (A.R.S.) § 28-101 defines a motorcycle as a motor vehicle that has a seat or saddle for the use of the rider and that is designed to travel on not more than three wheels in contact with the ground but excluding a tractor and a moped. A motor driven cycle means a motorcycle, including every motorscooter, with a motor that produces not more than five horsepower. A moped is a bicycle that is equipped with a helper motor if the vehicle has a maximum piston displacement of fifty cubic centimeters or less, a brake horsepower of one and one-half or less and a maximum speed of twenty-five miles per hour or less on a flat surface with less than a one per cent grade.

Current law requires drivers to hold a valid class M driver license in order to operate a motorcycle, motor driven cycle or a moped. According to A.R.S. § 28-3101, the Arizona Department of Transportation may add a class M license classification onto a valid class A, B, C, D or G license.

## PROVISIONS

1. Defines *autocycle* as a three-wheeled motorcycle on which the driver and passengers ride in a completely enclosed seating area that is equipped with a roll cage, safety belts for each occupant and antilock brakes, and is designed to be controlled with a steering wheel and pedals.
2. Stipulates that a class M driver license is not necessary to operate an autocycle.
3. Makes technical and conforming changes.